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South Dakota
Labor Bulletin

MAY 1985 PUBLISHED JUNE 1985

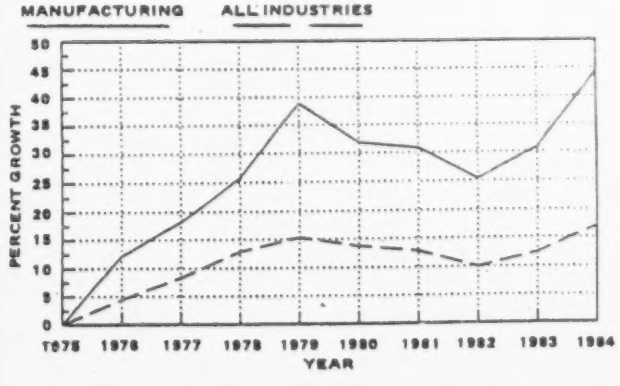
MANUFACTURING GROWTH IN SOUTH DAKOTA

The growth of manufacturing industries in South Dakota over the past 10 years has been important to the state. Not only has this growth added thousands of new jobs, it has also broadened the state's economic base.

Much of the growth in this industry may be because of the state's favorable manufacturing business climate. South Dakota was recently named as the state with the best overall manufacturing business climate by the Chicago-based accounting firm of Alexander Grant and Company. This is Alexander Grant and Company's sixth annual survey of manufacturing business climates of the 48 contiguous states.

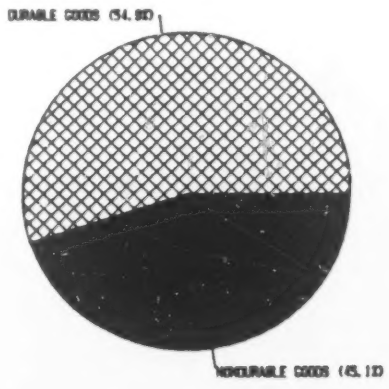
Manufacturing employment averaged 28,600 in 1984. This is an increase of 8,800 jobs or 44.4 percent over the 1975 average employment level of 19,800. As shown in Table I below, this 44.4 percent increase compares to an overall nonagricultural wage and salary employment increase of 16.9 percent during the same time period.

TABLE I
SOUTH DAKOTA EMPLOYMENT GROWTH BY PERCENT
1975-1984



A closer look at manufacturing employment reveals that most of the growth was in the durable goods sector. This sector accounted for 7,300 or 83 percent of new manufacturing jobs. Table II shows that 54.9 percent of manufacturing workers in 1984 were employed in the durable goods sector.

TABLE II
1984 MANUFACTURING EMPLOYMENT
BY DURABLE-NONDURABLE PRODUCTION



Nondurable goods manufacturing industries provided 1,500 new jobs in the 10-year time period. The printing and publishing portion of the nondurable goods sector accounted for 700 of the new jobs.

Much of the manufacturing employment increase over the past 10 years can be attributed to the increase in the number of manufacturing firms in the state. The number of new firms in the state has grown 19.2 percent since 1975 bringing the total number of manufacturing firms in South Dakota to 740 in 1984.

The growth in manufacturing employment and the increased number of manufacturing businesses has broadened the state's economic base. In 1975 manufacturing accounted for 9.5 percent of all nonagricultural wage and salary employment. In 1984, the manufacturing portion of total nonfarm employment was 11.7 percent.

The manufacturing industry has posted significant increases in both the number of new jobs and the

number of new firms in the past 10 years. Though cyclical fluctuations may affect short-term employment levels, long-term projections to 1995 indicate manufacturing employment will continue to grow in South Dakota.

SOUTH DAKOTA LABOR MARKET IN MAY 1985

There were 248,900 South Dakotans employed in nonfarm wage and salary jobs in May 1985. This was an increase of 200 jobs over one year ago May nonfarm job totals and a 6,500 nonfarm job increase over one month ago April 1985 levels.

When compared to one year ago employment levels, the retail trade industry posted the largest gain with a growth of 1,000 jobs. The construction and finance/insurance/real estate industries posted strong employment gains of 600 jobs each. This translates into percentage gains of 6.8 percent in the construction industry and a 4.6 percent increase in the businesses that comprise the finance/insurance/real estate industry.

The transportation and public utilities industries in the state added 400 jobs to their payrolls between May 1984 and May 1985 to boost employment in these industries to 12,500 people.

Government and services employment experienced slight increases over the year while mining and manufacturing employment posted over-the-year losses.

A review of month to month changes shows that there was a 6,500 job gain from April to May 1985. This can be traced almost entirely to seasonal hiring. As usual at this time of year, services, construction and retail trade scored the biggest advances, taking on 4,500 employees over the month. Employment growth in the services industry group was concentrated in hotels/lodging places and in amusement/business services. The services group added 1,600 jobs from April to May. Construction employment increased by 1,300 jobs in May after a 700 job increase in April and a 200 job increase in March.

The increase in government employment of 1,300 was spread through each level--federal, state and local. The state government increase was mainly because of summer jobs in the parks and recreation field.

South Dakota's unemployment rate in May 1985 was 5.1 percent. This figure was identical to the rate recorded in April. The total number of people employed in the state increased by 7,500 from April to May. The number of unemployed South Dakotans also rose from 17,600 in April to 18,000 in May. This combination of increased employment and unemployment indicates many people entered the labor force between April and May. The total civilian labor force in the state stood at 356,200 in May 1985.

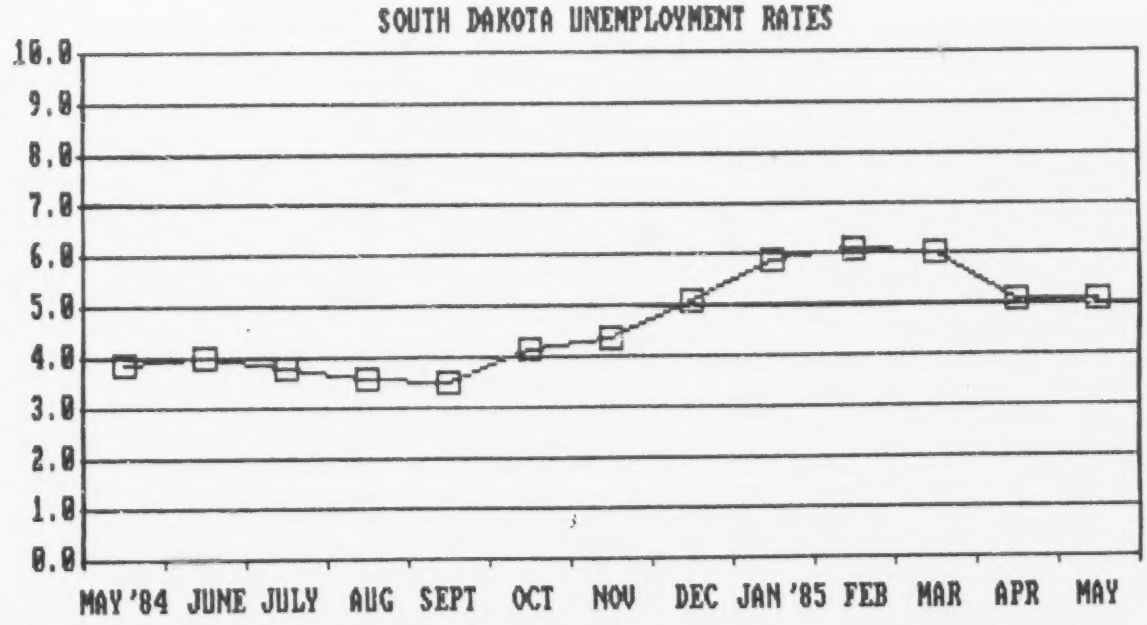


TABLE 1

LABOR FORCE / EMPLOYMENT / UNEMPLOYMENT

	MAY 1985 (1)				MAY 1984			
	Labor Force(2)	Employment	Unemployment	Rate	Labor Force(2)	Employment	Unemployment	Rate
United States	114,890,000	106,880,000	80,011,000	7.0 (3)	113,251,000	105,196,000	81,054,000	7.2 (3)
South Dakota	356,200	338,200	18,000	5.1	353,000	340,000	13,700	3.9
Sioux Falls MSA	71,506	68,530	2,976	4.2	70,688	68,599	2,089	3.0
Aurora	1,474	1,444	30	2.0	1,592	1,507	85	5.3
Beadle	9,799	9,276	532	5.4	9,569	9,278	291	3.0
Bennett	1,439	1,401	38	2.6	1,405	1,373	32	2.3
Bon Homme	3,380	3,183	197	5.8	3,747	3,521	226	6.0
Brookings	14,798	13,320	1,478	10.0	15,026	13,753	1,273	8.5
Brown	20,710	19,174	1,536	7.4	20,387	19,431	956	4.7
Brule	3,143	3,014	129	4.1	3,038	2,900	138	4.5
Buffalo	529	444	85	16.1	520	476	44	8.5
Butle	3,845	3,707	138	3.6	3,863	3,764	99	2.6
Campbell	931	867	64	6.9	876	857	19	2.2
Charles Mix	3,879	3,765	114	2.9	4,045	3,848	197	4.9
Clark	1,952	1,808	144	7.4	1,988	1,937	51	2.6
Clay	6,216	5,905	311	5.0	6,095	5,783	312	5.1
Codington	11,467	10,692	775	6.8	10,571	10,199	372	3.5
Corson	1,372	1,304	68	5.0	1,479	1,363	116	7.8
Custer	2,993	2,830	163	5.4	2,946	2,838	108	3.7
Davison	9,678	9,432	246	2.5	9,753	9,499	254	2.6
Day	3,017	2,822	195	6.5	3,331	3,065	266	8.0
Deuel	2,066	1,922	144	7.0	2,111	2,010	101	4.8
Dewey	1,869	1,702	167	8.9	1,905	1,783	122	6.4
Douglas	1,749	1,719	30	1.7	1,868	1,836	32	1.7
Edmunds	1,992	1,914	78	3.9	2,063	2,014	49	2.4
Fall River	3,301	3,214	87	2.6	3,468	3,346	122	3.5
Faulk	1,261	1,229	32	2.5	1,362	1,337	25	1.8
Grant	4,482	4,270	212	4.7	4,632	4,454	178	3.8
Gregory	2,595	2,521	74	2.9	2,613	2,581	32	1.2
Haakon	1,232	1,211	21	1.7	1,333	1,262	71	5.3
Hamlin	2,297	2,193	104	4.5	2,271	2,158	113	5.0
Hand	2,011	1,981	30	1.5	2,125	2,088	37	1.7
Hanson	1,156	1,105	51	4.4	1,128	1,100	28	2.5
Harding	896	811	85	9.5	773	766	7	0.9
Hughes	8,364	8,015	349	4.2	8,233	7,972	261	3.2
Hutchinson	4,353	4,220	133	3.1	4,477	4,357	120	2.7
Hyde	847	805	42	5.0	840	831	9	1.1
Jackson	1,117	1,049	68	6.1	1,204	1,151	53	4.4
Jerauld	1,363	1,238	125	9.2	1,310	1,294	16	1.2
Jones	681	662	19	2.8	641	615	26	4.1
Kingsbury	3,471	3,410	61	1.8	3,620	3,539	81	2.2
Lake	6,100	5,695	405	6.6	5,884	5,679	205	3.5
Lawrence	9,806	9,384	422	4.3	9,878	9,370	508	5.1
Lincoln	6,762	6,393	369	5.5	6,599	6,384	215	3.3
Lyman	1,476	1,421	55	3.7	1,488	1,433	55	3.7
McCook	2,708	2,585	123	4.5	2,882	2,819	63	2.2
McPherson	1,492	1,441	51	3.4	1,617	1,566	51	3.2
Marshall	2,012	1,896	116	5.8	2,246	2,011	235	10.5
Meade	6,812	6,458	354	5.2	6,341	6,136	205	3.2
Mellette	813	756	57	7.0	790	771	19	2.4
Miner	1,878	1,753	125	6.7	1,753	1,725	28	1.6
Minnehaha	71,506	68,530	2,976	4.2	70,688	68,599	2,089	3.0
Moody	3,808	3,581	227	6.0	3,779	3,666	113	3.0
Pennington	44,784	42,585	2,199	4.9	42,462	40,815	1,647	3.9
Perkins	2,313	2,283	30	1.3	2,264	2,239	25	1.1
Potter	1,892	1,845	47	2.5	1,987	1,901	86	4.3
Roberts	4,392	4,136	256	5.8	4,385	4,165	220	5.0
Sanborn	1,289	1,238	51	4.0	1,384	1,331	53	3.8
Shannon	3,275	3,004	271	8.3	2,889	2,644	245	8.5
Spink	3,729	3,587	142	3.8	3,909	3,798	111	2.8
Stanley	1,441	1,371	70	4.9	1,418	1,377	41	2.9
Sully	722	686	36	5.0	720	702	18	2.5
Todd	2,306	2,181	125	5.4	2,241	2,111	130	5.8
Tripp	3,231	3,095	136	4.2	3,281	3,166	115	3.5
Turner	3,962	3,814	148	3.7	4,130	4,021	109	2.6
Union	5,661	5,286	375	6.6	6,136	5,808	328	5.3
Walworth	3,006	2,936	70	2.3	3,125	3,007	118	3.8
Yankton	10,276	9,668	608	5.9	9,912	9,595	317	3.2
Ziebach	1,063	1,016	47	4.4	1,104	1,074	30	2.7

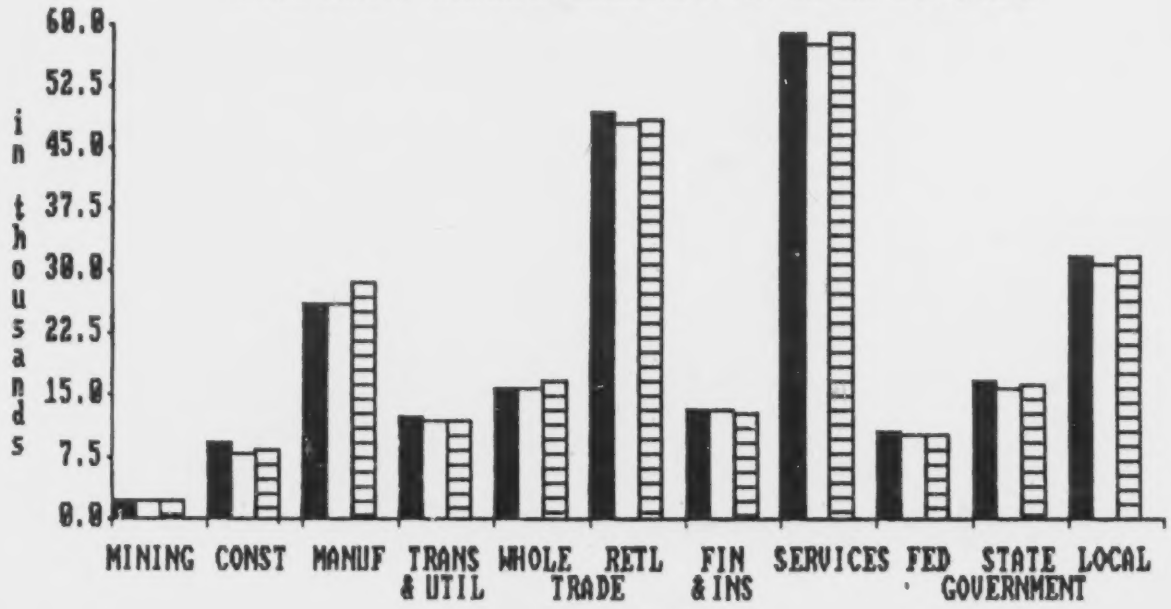
(1) Preliminary data subject to revision.

(2) Labor Force estimates include employed and unemployed civilians 16 years old and older by place of residence.

(3) The seasonally adjusted rates which were announced by the national government were 7.3 and 7.5 . The data in this table are not seasonally adjusted.

TABLE 2

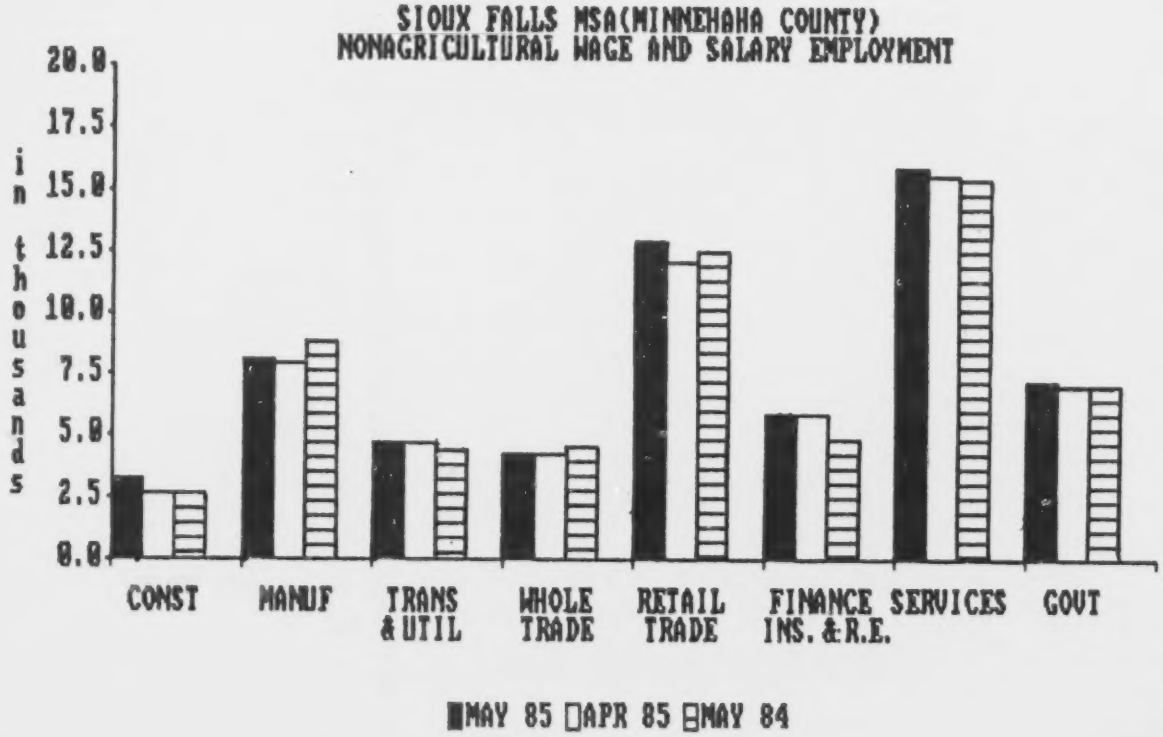
SOUTH DAKOTA NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT



■MAY 85 □APR 85 ⊟MAY 84

	May 1985	April 1985	May 1984	Percent Change From Last Month	Percent Change From Last Year
TOTAL	248.9	242.4	248.7	2.7	.1
MINING	2.5	2.4	2.6	4.2	-3.8
CONSTRUCTION	9.4	8.1	8.8	16.0	6.8
MANUFACTURING	26.2	26.1	28.7	.4	-8.7
Durable Goods	13.6	13.3	15.9	2.3	-14.5
Fabricated Metals & Machinery	8.0	8.0	10.5	.0	-23.8
Nondurable Goods	12.7	12.7	12.9	.0	-1.6
Food & Kindred Products	7.5	7.6	7.6	-1.3	-1.3
Paper, Printing & Publishing	2.6	2.6	2.6	.0	.0
TRANSPORTATION AND PUBLIC UTILITIES	12.5	12.3	12.1	1.6	3.3
Transportation	7.3	7.3	7.1	.0	2.8
Communication & Public Utilities	5.2	5.1	5.0	2.0	4.0
WHOLESALE AND RETAIL TRADE	66 1	64.5	65.5	2.5	.9
Wholesale Trade	16.3	16.2	16.8	.6	-3.0
Durable Goods	6.9	6.8	7.3	1.5	-5.5
Nondurable Goods	9.4	9.5	9.5	-1.1	-1.1
Retail Trade	49.8	48.2	48.8	3.3	2.0
FINANCE, INSURANCE AND REAL ESTATE	13.6	13.5	13.0	.7	4.6
SERVICES	59.4	57.8	59.2	2.8	.3
Hotels, Amuse., Pers. & Business	15.5	14.4	15.3	7.6	1.3
Medical and Health	22.3	22.2	22.7	.5	-1.8
Educational, Membership & Social	18.1	17.8	18.0	1.7	.6
GOVERNMENT	59.1	57.8	58.8	2.2	.5
Federal	10.6	10.4	10.3	1.9	2.9
State	16.8	16.2	16.6	3.7	1.2
State Education	8.2	8.0	8.2	2.5	.0
Local	31.8	31.1	31.8	2.3	.0
Local Education	18.2	18.1	18.6	.6	-2.2

TABLE 3



	MAY 1985	APRIL 1985	MAY 1984	Percent Change From Last Month	Percent Change From Last Year
TOTAL	62.6	60.8	60.9	3.0	2.8
1/ MINING	--	--	--	--	--
CONSTRUCTION	3.3	2.7	2.7	22.2	22.2
MANUFACTURING	8.1	8.0	8.9	1.3	-9.0
TRANSPORTATION AND PUBLIC UTILITIES	4.8	4.8	4.5	.0	6.7
TRADE	17.2	16.5	17.3	4.2	-.6
Wholesale Trade	4.3	4.3	4.7	.0	-8.5
Retail Trade	12.9	12.1	12.5	6.6	3.2
FINANCE, INSURANCE AND REAL ESTATE	6.0	6.0	4.9	.0	22.4
SERVICES	15.9	15.7	15.5	1.3	2.6
GOVERNMENT	7.3	7.1	7.1	2.8	2.8

The figures in Tables 2 and 3 include almost all nonfarm wage earners (full-time and part-time) but exclude the self-employed. They are derived from a monthly sample survey of South Dakota nonagricultural establishments and include workers on the payroll for the week including the 12th of the month. This table compares the current month's employment totals of the major industry groups to the totals of the previous month and year.

1/ Mining employment not published, employment less than 100 workers.

TABLE 4

HOURS AND EARNINGS PRODUCTION WORKERS*

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	MAY 1985	APRIL 1985	MAY 1984	MAY 1985	APRIL 1985	MAY 1984	MAY 1985	APRIL 1985	MAY 1984
South Dakota Statewide									
Manufacturing.....	$323.82	$316.40	$304.29	43.7	42.3	43.1	$7.41	$7.48	$7.06
Durable Goods.....	313.65	308.28	303.10	42.5	42.0	43.8	7.38	7.34	6.92
Nondurable Goods.....	335.54	326.99	304.80	45.1	42.8	42.1	7.44	7.64	7.24
Sioux Falls MSA									
Manufacturing.....	$357.45	$342.62	$308.93	49.1	46.3	45.7	$7.28	$7.40	$6.76

*Average hours and earnings for production-related workers.

The figures in this table are for production-related workers in the manufacturing industry. The earnings estimates are based on gross pay before deductions and include pay for overtime, holidays, vacations, and sick leave. They exclude bonuses (unless earned and paid regularly each pay period).

TABLE 5

CONSUMER PRICE INDEX

ALL URBAN CONSUMERS

1967=100	APRIL 1985	MARCH 1985	APRIL 1984	Percent Change From Last Month	Percent Change From Last Year
All Items.....	320.1	318.8	308.8	0.4	3.7
Food & Beverages....	301.6	301.6	294.5	0	2.4
Housing.....	345.9	344.7	333.2	0.3	3.8
Apparel.....	205.9	205.3	199.2	0.3	3.4
Transportation.....	320.0	316.7	309.6	1.0	3.4
Medical Care.....	398.0	396.5	375.7	0.4	5.9
Entertainment.....	263.3	262.2	253.8	0.4	3.7

The Consumer Price Index is a widely watched national indicator of inflation. It is a measure of change over time, in the prices of goods and services in major expenditure groups typically purchased by urban consumers. It measures the change in prices by comparing what a sample "market basket" of goods and services costs today with what the same sample "market basket" cost at an earlier date.

TABLE 6

CHARACTERISTICS OF THE INSURED UNEMPLOYED[1] - STATEWIDE

	Number			Percent		
	MAY 1985	APRIL 1985	MAY 1984	MAY 1985	APRIL 1985	MAY 1984
Sex, Total	2,453	3,616	1,689	100.0	100.0	100.0
Male	1,336	2,269	1,083	54.5	62.7	64.1
Female	1,117	1,347	606	45.5	37.3	35.9
Race, Total	2,453	3,616	1,689	100.0	100.0	100.0
White	2,263	3,361	1,556	92.3	92.9	92.1
Nonwhite	190	255	133	7.7	7.1	7.9
Age, Total	2,453	3,616	1,689	100.0	100.0	100.0
Under 45	1,879	2,821	1,260	76.6	78.0	74.6
Over 45	574	795	429	23.4	22.0	25.4
[2] Industry, Total	2,453	3,616	1,689	100.0	100.0	100.0
Mining	45	91	24	1.8	2.5	1.4
Construction	290	725	305	11.8	20.0	18.1
Manufacturing	881	1,134	309	35.9	31.4	18.3
Transportation & Public Utilities	89	141	91	3.6	3.9	5.4
Trade	551	725	437	22.5	20.0	25.9
Finance, Insurance & Real Estate	65	99	53	2.6	2.7	3.1
Services	451	577	369	18.4	16.0	21.8
Government	81	124	101	3.3	3.4	6.0
[2] Occupation, Total	2,453	3,616	1,689	100.0	100.0	100.0
Professional & Managerial	290	330	255	11.8	9.1	15.1
Clerical and Sales	429	553	362	17.5	15.3	21.4
Services	263	350	235	10.7	9.7	13.9
Processing	76	116	77	3.1	3.2	4.6
Machine Trade	104	148	61	4.2	4.1	3.6
Benchwork	613	742	62	25.0	20.5	3.7
Structural Work	416	872	415	17.0	24.1	24.6
Other	262	505	222	10.7	14.0	13.1
Duration of Current Unemployment						
Total	2,453	3,616	1,689	100.0	100.0	100.0
1-2 Weeks	337	402	217	13.7	11.1	12.8
3-4 Weeks	216	342	186	8.8	9.5	11.0
5-14 Weeks	996	1,693	705	40.6	46.8	41.7
15 Weeks & Over	904	1,179	581	36.9	32.6	34.4

1 The insured unemployed are those unemployed persons who had worked for employers covered by South Dakota's Unemployment Insurance Laws, and who are eligible for unemployment compensation.

2 Refers to industry and occupation involvement prior to unemployment.

TABLE 7

SELECTED LABOR DEPARTMENT ACTIVITIES - STATEWIDE

	MAY 1985	APRIL 1985	MAY 1984	Percent Change From Last Month	Percent Change From Last Year
UNEMPLOYMENT INSURANCE					
A. Initial Claims	1,856	1,808	1,638	2.7	13.3
B. Weeks Claimed	13,171	15,258	8,890	-13.7	48.2
C. Amount of Benefit Payments	$ 1,105,895	$ 1,271,507	$ 584,459	-13.0	89.2
D. Unemployment Trust Fund Balance	$28,764,900	$27,600,100	$20,113,900	4.2	43.0
JOB SERVICE					
E. Applicants Available (New and Renewals)	7,066	5,540	7,471	27.5	- 5.4
F. Nonag Placements	4,201	2,871	4,156	46.3	1.1
G. Nonag Job Openings	5,287	3,936	5,334	34.3	- 0.9

The data in this table are taken from the records of the state Unemployment Insurance program and the state Job Service system.

TABLE 8

JOINT JOB SERVICE AND SOCIAL SERVICE ACTIVITY

Aid to Families with Dependent Children (ADC) Recipients	May 1985 People	May 1985 Savings in Dollars
H. Employed	54	$11,720
I. Partial Employment	92	$ 7,354

The data in this table are taken from the records of the South Dakota Department of Social Services.

A. Initial Claims - The total number of first claims for unemployment compensation.

B. Weeks Claimed - The total number of weeks for which claimants received compensation under the state Unemployment Insurance Program.

C. Amount of Benefit Payments - The total amount of money paid to claimants through our state program.

D. Unemployment Trust Fund Balance - The fund to which all required Unemployment Insurance Taxes are paid and from which all benefits to claimants are paid.

E. Applicants Available (New and Renewals) - The total number of different individuals who registered or renewed their applications for work at Job Service offices in the state.

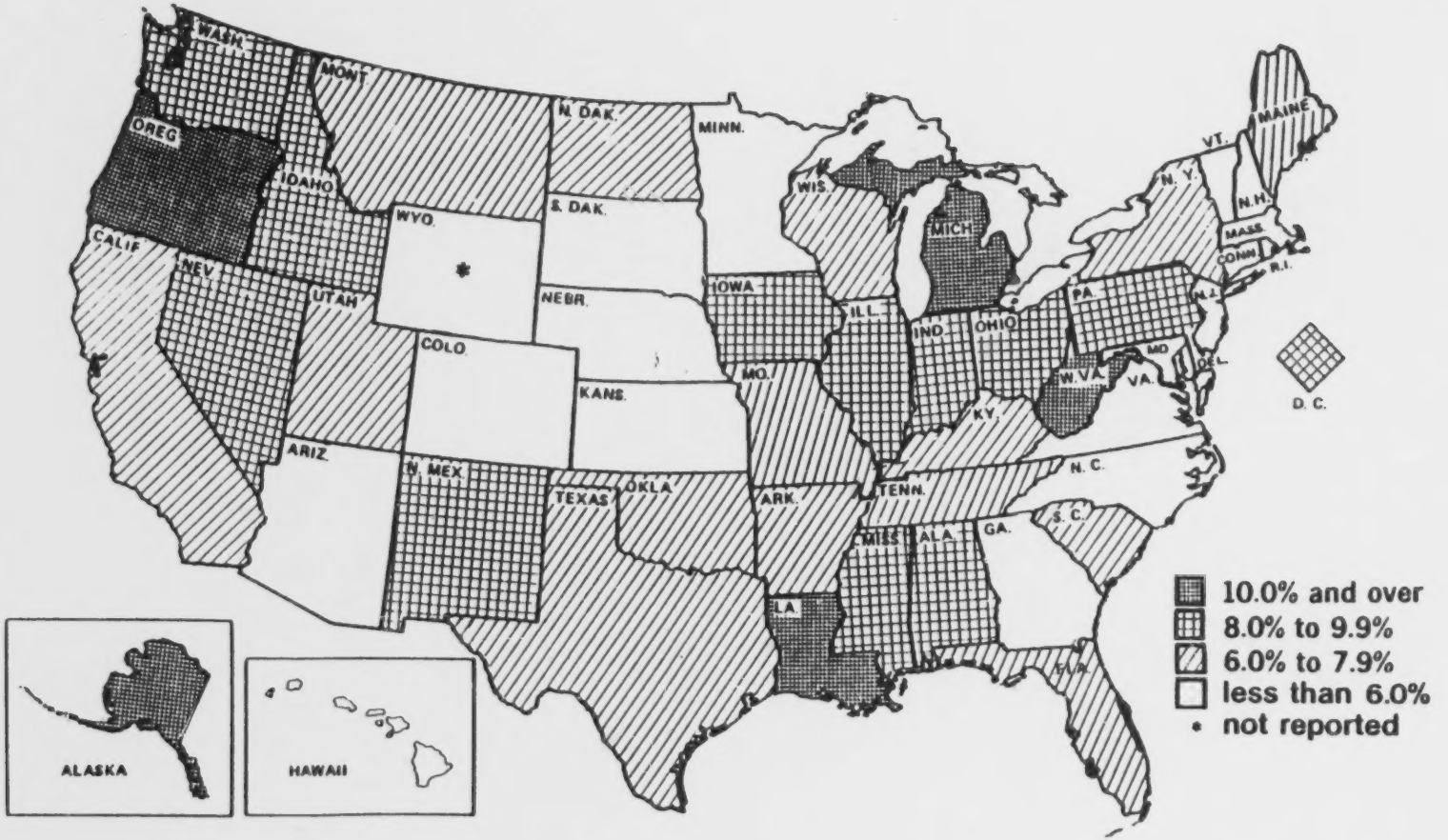
F. Nonag Placements - A count of the number of times during the month that Job Service applicants were hired by nonfarm employers.

G. Nonag Job Openings - A count of new job openings received during the month by South Dakota Job Service offices from nonfarm employers.

H. Employed - The number of people no longer needing ADC and the dollars saved because of their employment.

I. Partial Employment - The number of people with reduced ADC payments and the dollars saved because of their partial employment.

Unemployment Rates by State, April 1985



The Labor Market Information Center of the South Dakota Department of Labor collects, analyzes and publishes information concerning the economy, labor market and population characteristics. This information can be very important to economic developers; social and training program planners; business, education and government administrators.

LABOR MARKET INFORMATION AVAILABLE

DID YOU KNOW IN SOUTH DAKOTA

DID YOU KNOW:

Preliminary data on federal grants to state and local governments in Fiscal Year 1984 have been issued by the Commerce Department's Census Bureau. Expenditures to South Dakota state and local governmental units during this period amounted to $435,909,000. The table below lists those expenditures by the agency involved.

Department of Agriculture	$39,316,000
Department of Commerce	861,000
Corporation for Public Broadcasting	846,000
Department of Defense	450,000
Department of Education	85,944,000
Department of Energy	3,616,000
Equal Employment Opportunity Commission	40,000
Federal Emergency Management Agency	470,000
Department of Health and Human Services	118,416,000
Department of Housing and Urban Development	48,839,000
Department of Interior	7,637,000
Department of Justice	23,000
Department of Labor	17,067,000
National Foundation Arts and Humanities	383,000
Tennessee Valley Authority - Payment in Lieu of Taxes	35,000
Department of Transportation	82,814,000
Department of Treasury	15,237,000
Veterans Administration	425,000

Source: U.S. Department of Commerce, Bureau of the Census, Bulletin C885-44.

For this and other information contact:

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